Measures Proposed by Company Law Board

7320 SHRI YERRA NARAYANASWAMY: Will the PRIME MINISTER be pleased to state:

(a) whether the Company Law Board has made any proposal to reduce the time taken to get prospectus cleared;

(b) if so, the details thereof; and

(c) the details of other measures proposed to make interpretation and implementation of regulations easier for entrepreneurs?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ): (a) to (c) No proposal has been made by the Company Law Board. However, the Department of Company Affairs constituted a Review Committee to study the working of offices of Register of Companies with a view to streamline their working and to suggest changes for simplification of procedures involved in dealing with documents filed by companies. The Committee has made a number of recommendations, *inter alia*, for expediting the availability of names, registration of documents, standardisation of additional fee etc. The Committee has also suggested to take prospectus on record preferably on the date of filing or by next working day. Administrative instructions, in this regard, have been issued to all Registrars of Companies on 16th February, 1995 for implementing these recommendations and in the mean-time rules are being amended, where necessary, to give effect to these recommendations.

Company Law Board's Suggestions to SEBI

733. SHRI YERRA NARAYANASWAMY: Will the PRIME MINISTER be pleased to state:

(a) what steps are being taken to protect investors in the share and stock market;

(b) whether the Company Law Board has made any suggestions in this regard to SEBI; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ): (a) Complaints received in the Deptt. of Company Affairs from investors are processed through a computerised system and in appropriate cases, the Registrars of Companies are advised to initiate penal proceedings against companies and officers in default. Besides, the following steps are being taken by SEBI to protect the interest of investors:—

(i) Complaints of investors against the companies and the intermediaries are resolved.

(ii) Rules and regulations have been formulated for various intermediaries in securities markets like stock brokers, subbrokers, merchant bankers, debenture trustees, registrar to the issue, transfer agents, portfolio managers, mutual funds and banker to an issue. Regulations have also been framed for insider trading and takeover of companies.

(iii) Code of conduct has been prescribed for all the intermediaries as mentioned above.

(iv) Guidelines are issued to the intermediaries from time to time.

(v) Policy decisions are taken on a continuous basis for higher degree of transparency in the operations of the intermediaries and to protect investors.

(vi) Offer documents of the companies intending to raise funds from the public are vetted to ensure adequate disclosure enabling the investors to take informed investment decisions.

(vii) Inspections and enquaries are conducted on a regular basis of various intermediaries in the securities market.

(b) and (c) No such suggestion has been made by the Company Law Board to SEBI.

Reserved Constituencies

734. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:

SHRIMATI VEENA VERMA:

Will the PRIME MINISTER be pleased to state:

(a) whether on descheduling of a chunk of Scheduled Caste population with adoption of Buddhism by them, the number of reserved Assembly and Parliamentary constituencies were proportionately reduced in 1960s in different States, particularly in Maharashtra;

(b) if so, whether these neo-Buddhists have again veen recognised as Scheduled Castes belonging to respective castes during 1990s, thus considerably increasing the number of Scheduled Castes population; and

(c) whether in view of this considerable increase in Scheduled Castes Population with inclusion of neo-Buddhists amongst Scheduled Caste, Government have taken steps to increase the number of Reserved constituencies under article 330 and 952 of the Constitution of India; if so, the steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ): (a) and (b) Neo-Buddhist were treated as belonging to Scheduled Castes in 1990 as per the Constitution (Scheduled Castes) Orders (Amendment) Act, 1990.

(c) In terms of the proviso under Article 330 of the Constitution, no change in the existing ratio of representation of Scheduled Castes and Scheduled Tribes is called for until the relevant figures in the first census taken after the year 2000 have been published.

Reported unearthing of Rs. 42 crores scandal

735. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:

SHRIMATI VEENA VERMA:

Will the PRIME MINISTER be pleased to state:

(a) whether Government's attention has been drawn to the newsitem captioned, "Rs. 42 crore scandal unearthed" which appeared in the Hindustan Times of 22nd December, 1994; and

(b) if so, what are the details of the findings of the investigations made in regard to this scandal indicating the modus operandi of the scandal and the persons involved therein?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ): (a) Yes Sir.

(b) Criminal cases have been registered by Central Bureau of Investigation, Special Crime Branch, Calcutta against Shri Pawan Kumar Ruia and others for alleged complicity in floating a large number of public limited companies through unscrupulous means with a view to facilitating laundering of black money into white. The CBI is still making investigation in the matter.

Mahila Courts in the Country

736. SHRI SANATAN BISI: Will the PRIME MINISTER be pleased to state: